UNITED NATIONS

World Chronicle

PROGRAMME: No. 686, recorded 11 November 1997

GUEST: **Karl Th. Paschke**
United Nations Under-Secretary-General for Internal Oversight Services

JOURNALISTS: Rob Watson, BBC
Bhaskar Menon

MODERATOR: Michael Littlejohns

INTERNAL OVERSIGHT

In 1994, the United Nations General Assembly established the Office of Internal Oversight Services as a new element in the management culture of the United Nations. Recently, the Office issued its third comprehensive annual report. Karl Th. Paschke, United Nations Under-Secretary-General for Internal Oversight Services, discusses the findings of the report as well as many other issues related to the reform efforts of the world organization.

WORLD CHRONICLE is produced by the Media Division, Department of Public Information, United Nations, New York, NY 10017, U.S.A.

Duration: 28:00″
Executive Producer: Kamil Taha
Director: Ivan Stoynov
Production Assistant: Ellen McGuffie

ANNOUNCER: From United Nations Headquarters in New York, this is **World Chronicle**, an unedited interview programme about major global issues. Here now to introduce our guest is the host of today's **World Chronicle**.

LITTLEJOHNS: I'm Michael Littlejohns, and this is **World Chronicle**.

To streamline and reform one of the main organs of the world organization -- the Secretariat -- in 1994, the United Nations General Assembly established the Office of Internal Oversight Services. The Office recently published its third comprehensive annual report. What are the findings of this report, and does the work of the Office make a difference in the reform efforts of the United Nations?

Our guest today is the Inspector-General of the United Nations. He is Karl Theodor Paschke, United Nations Under-Secretary-General for Internal Oversight Services.

Joining me to talk with Mr. Paschke are Rob Watson of the BBC and Bhaskar Menon of the International Documents Review.

Mr. Paschke, welcome to **World Chronicle**.

PASCHKE: Thank you.

LITTLEJOHNS: Mr. Inspector-General, although it is not precisely your title, everybody calls you the Inspector-General. Would you say in the period -- three years or so-- that your office have existed, that you've made a major impact on the United Nations. Your latest report again identifies several areas where there has been waste, fraud and corruption, embezzlement, etc. But perhaps if your office didn't exist, these things would have never been found out. So I guess there are a lot of pluses you can point to.

PASCHKE: Definitely. I am probably convinced that the creation of this office was in itself a major reform step, which the General Assembly took when in 1994, by consensus, they agreed on establishing this office. Because until that point, for almost five decades, the United Nations did not have an element of internal oversight independently in its management culture.

LITTLEJOHNS: But they had all these Joint Inspection Units. What were those guys doing?

PASCHKE: Well, the Joint Inspection Unit is a relatively small unit of a dozen inspectors, with a small research staff. They cannot possibly provide this Organization with comprehensive oversight. And also, they are considered an external body. Whereas, what my office does is internal oversight, and I feel very strongly that there's a major difference between these functions. And that, I have to say the General Assembly did a wise thing when they created this office as an internal oversight mechanism.

LITTLEJOHNS: But also independent.

PASCHKE: Absolutely.

LITTLEJOHNS: You're independent of the Secretary-General, even.

PASCHKE: I am. I'm the only Under-Secretary-General who has been confirmed by the General Assembly. I do not therefore, serve at the pleasure of the Secretary-General.

LITTLEJOHNS: So Koffi Annan couldn't fire you? I'm sure he wouldn't want to.

PASCHKE: He would have to show cause to the General Assembly...

LITTLEJOHNS: And the General Assembly would have to prove it.

PASCHKE: If he wanted to fire me. I don't think that he wants to fire me. If I look at the transmittal note that he has added to the Annual Report, he actually is very laudatory about the role that this office now plays in the management culture of the United Nations. I also think that these other elements of independence of mine is very important. I have only a five year term of office.

LITTLEJOHNS: But renewable?

PASCHKE: It will not be renewable, it will not be extendable. After me, somebody else will have to do this job and that relieves me from the obligation to endear myself to Member States for re-election or anything.

WATSON: Now, if I can butt in. Washington, the UN's famous critics in Washington still see this place as a cesspool of overstaffing and corruption, true or false?

PASCHKE: Well, I have not made any, I have not in any way said in my reporting and in the work that I do that I agree with this type of sweeping criticism. Yes, of course in the UN there are some areas that are perhaps still overstaffed, there are certainly procedures still in place that need to be streamlined and there is certainly still waste of resources, as my report shows in many areas. But that's first of all, something that is not particular to the United Nations, I think any large bureaucracy has these features and therefore any large bureaucracy should be overseen by an independent mechanism.

MENON: Perhaps you can rephrase that in a slightly more UN context, which is, that in a large bureaucracy, the governmental bureaucracy, say the United States, you have a freedom of information act. Where if there is a legitimate cost, if there is information that the public needs they can apply for it and get it. The bureaucracy has no right to hold on to information. This is not true of the UN. Whatever, in fact, most information within the UN is secret – for no reason. An example of this, is Procurement. Under the financial regulations of the UN the opening of bids for Procurement have to be in "public". It is never in public, and this is a decision made by the bureaucracy. So, in that sense, the management culture being secretive, aiding corruption in other words, because anything secretive is an aide to corruption. How do you address that?

PASCHKE: Well, on the other hand you have to understand that my office adds to the transparency of this organization. You know that the most major reports are either

transmitted to the General Assembly in their entirety, or they are made mention of, and they are referred to in digest form in my Annual Report. I believe that indeed this is a very important element of the work that I do. The fact that my report, my findings and my recommendations are transmitted to the legislative parties, and That the legislative parties take an active interest in the work of this office. This is by the way, the most important leverage that I have in my work. Managers who know that they will be exposed to the General Assembly, in cases of either wrong doing or waste of resources...

MENON: But this is just the issue which I raised, which is that, if you had freedom of information, if the bids were in fact open and public, much of your investigation would be unnecessary. Because if someone was trying to rig the books, it would be apparent, when the information was made public. At the moment, the information is not public, no one can judge, until your investigator gets there to look into the book and find out who did wrong. Isn't it a basic problem with the UN?

PASCHKE: Well, first of all, I will admit to you that indeed the procurement process in general at the United Nations still needs to be significantly overhauled. And my office is in the process of help in this. We have produced a number of audits, and we have actually been involved in the ongoing reform of that process. Now I will not exclude that this will also address the issue that you raised, the procedure that is being observed in the bidding, inviting biddings and in evaluating bidding. I can not at this point report to you that we have, that management has taken this decision. But it will certainly be one of the areas that we will continuously to look into.

WATSON: If I can just pick up again, I will try to be there, the voice of the man in the street. I was just thinking from the point of view from people watching this program, who maybe have UN operations in their countries, or that they see reports of the UN – see the big building on television. If they thought I wonder if all these people are working in our country are all on fiddling expenses, fiddling overtime, would they be wrong?

PASCHKE: I think we're having here a major image problem of the United Nations..

WATSON: Well here's your chance to sort of say look, that's all wrong.

PASCHKE: Well, yes, I think this problem is partly and to a significant part caused by the medias interest only in the negative side of operations of the United Nations. I have to regret this, but I don't think I can do much about it. I have considerable media experience as a spokesman, myself, and whenever I for instance, when I introduce a annual report to the media, I try to put a positive spin on it because I think it is important that the message gets across that the existence of this office, the fact that we are now exposing cases of irregularities, of wrong doing, of mismanagement, of abuse of authority, and of waste of resources. Is in itself evidence for the improvement of this organization.

MENON: But surely Mr. Paschke, you have to say that the majority of UN staff are above board and straight forward people.

PASCHKE: That is exactly what I am driving at.

MENON: Yes,

PASCHKE: But you see, you don't want to have a statement like this in the report of the Inspector-General of the United Nations. I think it is self evident and I am saying it and I have stated it publicly many times that in my view the overwhelming majority of the United Nations employees are dedicated, professional people who work diligently and who work very long office hours. There is really a lot to be said about the motivation of the United Nations staff. And they are frustrated when they see that a report by the Inspector-General is perceived by the mass media only in the negative details that it spells out.

WATSON: What has to be said I am sure about the media, the mass media wouldn't like a Inspector-General looking into what we do. But that said, again, on a general point for people who don't have the opportunity to read this report. In words of one syllable, what kind measures have been introduced to stop fraud and corruption?

PASCHKE: Well, first of all, we have addressed cases that have come to our knowledge..

LITTLEJOHNS: From whistle blowers?

PASCHKE: From whistle blowers and by other sources in most cases where we start an investigation, it is management that addresses these cases to us and says you have to help us investigate these cases. The major cases that we are involved in right now have all been referred to us by management. In a very recent case which I also – by the way – commented upon publicly, where we obtained a verdict against a former UN employee in Geneva for embezzling significant funds from the United Nations

MENON: How much? About six hundred and fifty thousand dollars?

PASCHKE: It was more than half a million dollars.

LITTLEJOHNS: Over how long of a period?

PASCHKE: I'm sorry... over a period of seven years.

LITTLEJOHNS: So how can you do this for seven years and nobody jumped on it?

PASCHKE: Well, that's indeed one of the problems that we have addressed in the course of this case. We have not only limited ourselves to making sure this person was prosecuted. We have also addressed the obvious lack of internal controls in the outfit where this person worked for. Seven years and got away with what he did. But I think this fact speaks for itself. This is how the UN will be made better. And this is what I call part of the reform of the United Nations. I have to again underline that the mere fact that we now exist, probably has a deterrent effect on many people who would otherwise think that they could

still manipulate procedures, finagle rules and enrich themselves of siphon off funds from the United Nations. I think the deterrent effect of this office is meaningful, and has made this a better organization. But at the same time, this office is also pro active. We do a lot of things in a pro active manner where we help management to improve themselves and we have found many managers in this organization very responsive to our work, and I think that is indeed what we really can contribute to the improvement of this organization.

LITTLEJOHNS: This is **World Chronicle**, our guest is Karl Th. Paschke, United Nations Under-Secretary-General for Internal Oversight Services.

MENON: In your report, not in the most recent report but the one before that, you said that UN managers were in many cases, reluctant to work with you in improving the management culture and taking care of problems. In the most recent report, this is not a point you made. Does this reflect a major turn around within the Organization?

PASCHKE: I think it may not want to call it a major turn around, but I think it is clearly an indication that we are having this development. This office is more reckoned with in the Organization I would have to say. I do not want to say that this office has become more accepted because when it becomes very accepted, when it becomes the normality of this Organization, then I will start worrying. We need to continue to be a little bit of a thorn in the flesh of this Organization because other wise we would not have the effect that I described earlier. That people are considering us as a deterrent.

MENON: Could I ask you, how does the UN compare with your national bureaucracy? With your Foreign Service, would you...

LITTLEJOHNS: German Foreign Service?

MENON: German Foreign Service.

PASCHKE: Well I believe I could still say that the Foreign Service of my native country is better organized than the United Nations but of course there are a lot of factors that have...

MENON: How so. How would you say that it is better organized?

PASCHKE: First point to the fact that at the UN you are working with a staff that comes from more than one hundred different countries. Each and every staff member brings a different perception to the Organization of what public service means. And to create a unified management culture with such a variety of people is in itself much more difficult than it is to create a sense of responsibility and accountability in a national administration. I think here is a major difference that accounts for most of what I just said.

LITTLEJOHNS: Perhaps it's not only difficult, maybe it is impossible? I mean you have such a wide variety of cultures, attitudes, religion, all kinds of things.

PASCHKE: Yes. I think this is one of the elements that make the Untied Nations a peculiar organization. The fact that it is staffed with people from so many different countries and it is also of course, a run or rather guided, or maybe not so much guided by a...

LITTLEJOHNS: Misguided perhaps.

PASCHKE: ...By a board of directors that consist of one hundred and eighty five individuals who have very different perceptions of what this Organization should produce.

WATSON: Presumably there is a danger though there, because one starts to get into areas that could be considered racist. When one talks about a whole lot of different cultures presumably it is fair to accept that which ever country a civil servant is from, they should be expected to be honest and hard working.

PASCHKE: That's not what I said. I don't...

WATSON: I didn't say that you were saying that, but I think there is always a danger when people talk about the Organization that perhaps that's what they mean, I did say that's what you meant.

PASCHKE: No, let me then repeat what I said. I think it is much more difficult to create a consolidated, unified management culture with people who come from the four corners of the world. And bring into this Organization, very different perceptions of how work should be done, how you would handle your staff, the people that report to you. How you would yourself, deal with the person you report to. There are nuances and differences here that I believe have a very important impact on the management culture of an organization. And I find...

MENON: Could I bring that point that you raised out in the open. Is there, when you look at the UN as a whole, is there any region that's worse than the others, are there nationalities worse than the others, are there offices worse than the others?

PASCHKE: Absolutely not. No. But they are different, the people are different, and I think there is... again, don't put a negative spin on this – it is just an observation. It is an observation which I believe very strongly, that it is difficult to create a sense of mission, a sense of responsibility and accountability with people who come from different cultures. Of course, every UN staff member is bound by the same set of rules, regulations, code of conduct and what have you. But people have different perceptions of...

MENON: Now is this a management problem or is this a staff problem?

PASCHKE: It is very obvious in any international organization..

MENON: Is this a staff problem or is it a management problem? Are managers facing this problem because of differences in culture?

PASCHKE: I would hesitate to even call it a problem. I believe it is a legitimate observation. It is something that management and staff of course, have to live with, reckon with, and be aware of.

WATSON: Can I bring it right to dollars and cents for a minute. Do you think that as we sit here now that there are any large scale frauds going on, or don't you think those things are now of the past?

PASCHKE: I don't have the crystal ball to answer that question.

WATSON: Do you think there might be someone in some peacekeeping operation somewhere selling off tanks to the highest bidder?

PASCHKE: If I heard of such a case I would investigate it. But as I said earlier, I think in every large bureaucracy you have a certain amount or a certain percentage of dishonesty and fraud. And functioning in Internal Oversight, has to address this problem but it will never, never make any organization a one hundred per cent organization.

WATSON: Just one thing before we get on to a really serious element, I was wondering whether the Inspector-General role, can you still find people who would have a sandwich with you in the canteen?

PASCHKE: Oh yes, you see, when I came into office, I said that it was my firm desire when I retire after five years, not to walk out of this door as the most hated man in the United Nations. I am basically I think, a harmonizer, and in my perception, the Inspector-General should not be a person who walks around like Rambo or anything. But somebody who would understand the Organization, understand its intricacies also its problems and it's shortcomings. And would try to work with management to improve these things.

MENON: But you can't work with management because management is part of the problem. For instance, I'll give you the one on HABITAT, the office on Human Settlements. The senior manager was the problem. And he had the assignment to look after this very important part of the UN Secretariat, and out of the last year that he served, he spent ten days in his office, at headquarters, at his headquarters. If that is what the top manager does in an outfit, what hope is there for the rest?

LITTLEJOHNS: And he got another job after he left HABITAT!

MENON: Right. I mean he wasn't fired, he went to another job.

PASCHKE: Well, the fact that you just quoted are facts that we published in our report on HABITAT and it produced indeed some reaction from the Secretary-General and I am actually quite convinced that HABITAT will address these management problems. It has already developed a plan of action to implement all the recommendation we made. Therefore, I am or not, as pessimistic as you are with regard to management as a whole. If

we sometimes identify managers who are not up to standards then we will continue to say so.

WATSON: I think that..

PASCHKE: That's perfectly part of my job. But I will also have to remind you of the fact that my office produces findings, assessments, and on the basis of these make recommendations. The action has to come from management themselves.

WATSON: We are fast running out of time. It strikes me that knowing people who work at the UN, the majority of them are very hard working, very dedicated. But in fact, it would be a favor to them that if bad people were just sacked, wouldn't you love to be able to say, right you, you, and you – out.

PASCHKE: I have this understanding of my office which is actually based on the resolution which created my office, that my job is to – as I just said, to provide assessments, and on the basis of those assessments, make recommendations which management then has to translate into reality. I think that is the wise way of doing it and I'm happy with the way this works.

LITTLEJOHNS: Mr. Paschke, what do you think of the really positive things in your report that you would like to emphasize.

PASCHKE: Well, the report incidently does not only list shortcomings and deficiencies, it has flowers and words of praise. For instance, for one department, the Department of PeaceKeeping Operations, which has been criticized for a number of things but then in the end, we clearly say the Department of PeaceKeeping Operations is particularly willing to address these shortcomings and has been a model client of ours. I think this is also spelled out in the report. And once again, what I would have liked to see in the media reports about this Annual Report of mine, would have been the statement which says that after all, the fact that such a report is out, spells out the shortcomings; and that indeed the recommendations are being implemented by management and that the savings to the tune of thirty million, largely are on the table. All of this is in the body of the report

LITTLEJOHNS: But you were critical of the PeaceKeeping operation in Angola and in Guatemala and to some extent in Yugoslavia.

PASCHKE: Yes, of course. Because in the field, it is indeed particularly difficult to work in full compliance with rules and regulations. Because in most of these missions you hit the ground running, you have to set something up quickly, and when the mission is over, you have to clear out as quickly as you can. These are circumstances in which it is particularly difficult for management to comply with everything that the United Nation rules and regulations require.

LITTLEJOHNS: Well, we only have a few seconds left, I know you are dying to jump in though..

WATSON: Well, all I was going to say, back to the other point, is if it is anything like the media organizations I worked for, management never sacks management.

LITTLEJOHNS: Is the UN too lenient, Mr. Paschke?

PASCHKE: Perhaps, the UN has indeed a very complicated Human Resources Management which almost makes it impossible to separate staff. That is I think, one of the difficulties of this Organization. It is perhaps also part of the fact that the UN after all is a very political organization, and I don't think we should kid ourselves about that. The United Nations is a political organization, in other words, there are also political pressures applied on it, particularly on the Secretary-General when it comes to taking hard staff decisions.

LITTLEJOHNS: Mr. Paschke, that's all the time we have.
Thank you for being with us on this edition of **World Chronicle**. Our guest has been Karl Th. Paschke, United Nations
Under-Secretary-General for Internal Oversight Services. He was interviewed by Rob Watson, of the BBC and Bhaskar Menon, of the International Documents Review.

I'm Michael Littlejohns, thank you for joining us. We invite you to be with us on the next edition of **World Chronicle**.